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FILED

JUL 17 2015

Clerk, U S District Court
District Of Montana
Billings



ATTORNEYS FOR PLAINTIFF
UNITED STATES OF AMERICA

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MONTANA
GREAT FALLS DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

SHAD JAMES HUSTON,

Defendant.

CR 15- 42 -GF-BMM

INDICTMENT

FALSE CLAIMS ACT CONSPIRACY

Title 18 U.S.C. § 286 (Count I)

**(Penalty: Ten years imprisonment,
\$250,000 fine, and three years of supervised
release)**

FALSE AND FRAUDULENT CLAIMS

AGAINST A FEDERALLY FUNDED

PROJECT (Count II)

Title 18 U.S.C. §§ 287, 2

**(Penalty: Five years imprisonment,
\$250,000 fine, and three years of supervised
release)**

THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment:

1. The Chippewa Cree Tribe of the Rocky Boy's Indian Reservation was a federally recognized tribe located in north central Montana whose affairs were governed by the Chippewa Cree Business Committee and whose government was located at Box Elder, Montana.

2. Between October 2009 and September 2012, the Chippewa Cree Tribe of the Rocky Boy's Indian Reservation, received approximately \$28 million in Public Law 638 Self-Governance Compact funds from the United States Department of the Interior, a portion of which was for construction and maintenance of roads on the Rocky Boy's Indian Reservation and for the operation and administration of the Chippewa Cree Tribe Roads Branch.

3. The American Recovery and Reinvestment Act of 2009 (ARRA)—commonly known as the Stimulus Bill—was enacted on February 17, 2009, and designed to preserve and create jobs, promote economic recovery, invest in infrastructure that would provide long-term economic benefits, and to stabilize State and local government budgets.

4. Between September 2009 and June 2011, the Chippewa Cree Tribe of Indians, of Rocky Boy's Indian Reservation, received \$10.6 million in ARRA funding for construction and maintenance of roads on the Rocky Boy's Indian

Reservation and for the operation and administration of the Chippewa Cree Tribe Roads Branch.

5. SHAD JAMES HUSTON was a Havre, Montana, businessman who controlled, either exclusively or jointly, the business affairs and financial accounts of K & N Consulting, LLC, TMP Services, LLC, Huston Leasing, LLP, Leon's Finance, Inc., Leon's Pawn and Rental, Inc., Wild Horse Ridge Enterprises, LLP, K Bar K Trucking, LLP, and the business known as Leon's Buy and Sell.

COUNT I

That between on or about October 3, 2011, and continuing thereafter until on or about October 14, 2011, at Havre and Box Elder, in the State and District of Montana, and other places, the defendant, SHAD JAMES HUSTON, together with James Howard Eastlick, Jr. and Timothy Warren Rosette, and with diverse other persons to the Grand Jury both known and unknown, did knowingly and intentionally agree and conspire to defraud the United States, and any department or agency thereof, by obtaining and aiding to obtain the payment and allowance of any false claims, as described in Count II and by this reference, for notice purposes, incorporated herein as if fully set forth, fictitious, and fraudulent claim, in violation of 18 U.S.C. § 286.

COUNT II

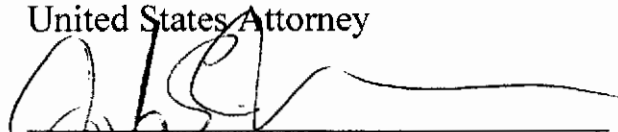
That on or about October 14, 2011, at Havre and Box Elder, in the State and District of Montana, and other places, the defendant, SHAD JAMES HUSTON, did knowingly make and present, and cause to be made and presented, a claim upon or against the United States, and any department or agency thereof, knowing such claim to be false, fictitious, and fraudulent, and induced, procured, and commanded the submission of a fraudulent claim, that is, the defendant, SHAD JAMES HUSTON, presented and submitted, and caused to be accepted and approved for payment, invoices requesting payment of \$120,000 for the services of a company called "KN Trucking" then and there well knowing that the services represented to have been provided to the Chippewa Cree Tribe had not, in fact, been provided, and therefore was not a legitimate claim against the Chippewa Cree Tribe or the federal funds that support the operation of its Roads Branch, in violation of 18 U.S.C. §§ 287, 2.

A TRUE BILL.

Foreperson signature redacted. Original document filed under seal.



MICHAEL W. COTTER
United States Attorney



JOSEPH E. THAGGARD
Criminal Chief Assistant U.S. Attorney

8/25/15 @ 10:00 am
before JTT

Crim. Summons ☒

Warrant: _____

Bail: _____